

OFFICIAL FILE
ILLINOIS COMMERCE COMMISSION

FORMAL COMPLAINT

Illinois Commerce Commission
527 E. Capitol Avenue
Springfield, Illinois 62701

For Commission Use Only:

Case:

05-0676

ORIGINAL

Regarding a complaint by (Person making the complaint): State of Illinois--Central Management Services

Against (Utility name):

Peoples Energy -

Peoples Gas Light & Coke Company

As to (Reason for complaint) Company claim for recovery of over \$374,000.00 in charges stemming

from its installation and maintenance of a defective meter on customer premises over two-
year period beginning in Winter of 2002.

in Chicago Illinois.

TO THE ILLINOIS COMMERCE COMMISSION, SPRINGFIELD, ILLINOIS:

My mailing address is

160 N. La Salle Street, Suite C-504, Chicago, IL, 60601

The service address that I am complaining about is 100 W. Randolph Street, Chicago, IL, 60601

My home telephone is

[312] 814-6940

Between 8:30 A.M. and 5:00 P.M. weekdays, I can be reached at

[312] 814-6940

(Full name of utility company) Peoples Gas Light & Coke Co. (Peoples Energy) (respondent) is a public utility and is subject to the provisions of the Illinois Public Utilities Act.

In the space below, list the specific section of the law, Commission rule(s), or utility tariffs that you think is involved with your complaint.

83-IL Adm. Part 500.240 (a) (3)-Adjustment of Bills for Meter Error

Peoples Energy "Terms and Conditions of Service", Revised Sheet 23, "Measurement of Gas

Delivered by the Company."

83-IL Adm. Part 280.80 (b)-Estimated Bills

Have you contacted the Consumer Services Division of the Illinois Commerce Commission about your complaint?

☒ Yes ☐ No

Has your complaint filed with that office been closed?

☐ Yes ☐ No

CHIEF CLERK'S OFFICE

2005 OCT 19 11:19 AM

ILLINOIS
COMMERCE COMMISSION

Please state your complaint briefly. Number each of the paragraphs. Please include time period and dollar amounts involved with your complaint. Use an extra sheet of paper if needed.

See Formal Complaint Addendum and Exhibits "A" and "B" attached to this form.

Please clearly state what you want the Commission to do in this case:

We seek that the Commerce Commission direct Peoples Energy to waive any claim to recovery of amounts sought for adjusted charges prior to the service date of January 10, 2005.

Date: October 12, 2005
(Month, day, year)

Complainant's Signature

If an attorney will represent you, please give the attorney's name, address, and telephone number.

Approved as to Legal
Form & Content
CEW
CMS-Legal Dept.

You need to file the original with the Commission. Also, provide one copy for each utility complained about (referred to as respondents).

VERIFICATION

A notary public must witness the completion of this part of the form.

I, Donna L. Lopez, first being duly sworn, say that I have read the above petition and know what it says.
The contents of this petition are true to the best of my knowledge.

(Signature) Donna L. Lopez

Subscribed and sworn/affirmed to before me on (month, day, year) 10-14-2005

Notary Public, Illinois

OFFICIAL SEAL
DONNA L. LOPEZ
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 04/02/08

NOTE: Failure to answer all of the questions on this form may result in this form being returned without processing. If you have questions, please call the counselor in the Consumer Services Division that handled your informal complaint.

Formal Complaint Addendum

Initiated By: State of Illinois – Department of Central Management Services

Regarding: Billing Address 100 West Randolph Street, Chicago, IL 60601

Respondent: Peoples Gas Light & Coke Company (Peoples Energy)

1. On February 22, 2005, Peoples Energy issued re-stated bills for the subject facility which dramatically increased reported gas usage at the subject facility over the two years dating back to February 2003. This action was explained on the grounds that the Company discovered that their meter was malfunctioning, thereby misrepresenting total usage billed during that time.
2. In light of the magnitude of the re-stated charges, we performed a detailed analysis of all relevant tariffs and ICC Administrative Rules to ensure that the billings were in accordance with the legal standards governing utility operations.
3. In summary, the basis of our position is as follows:
 - Peoples Energy is precluded by ICC Administrative Rules from re-stating bills over the two-year period for the JRTC because they took actual readings during the period at which time they should have known the meter to be malfunctioning and yet took no corrective action. Under this rule, assuming the meter was found to be under-registering, they would be prohibited from collecting any revenues for past under-billing (see citation in attachment for *Title 83: Public Utilities...Section 500.240 - Adjustment of Bills For Meter Error*).
4. The analysis of bills issued to the State during the two-year period is summarized on Exhibit "A" (Original Bill Detail) and Exhibit "B" (Revised Bill Detail). It shows that the company took actual readings on or about 12/20/2002, 1/28/2003, 2/18/2003, 11/14/2003, 12/16/2003, and 1/16/2004 which revealed that the meter was under-registering, not **non-registering**. Additionally, it took an actual reading on 11/16/2004 that also revealed registration. The company estimated bills for all intervening months (itself a separate breach of Administrative Rules and the Company's own Terms and Conditions of Service, which require that the Company take actual readings at no greater than 60-day intervals.
5. Based on this information, we believe that the State is relieved of liability for all charges sought in recovery by Peoples Energy under the operation of Administrative Rules and we hereby request your consideration of this matter and intervention as appropriate.